

REAL ESTATE COMMITTEE AGENDA
REAL ESTATE COMMITTEE MEETING OF: FEBRUARY 15, 2005

- CALL TO ORDER

MINUTES:

PRESENT: COUNCILMAN WOLFSON and COUNCILMAN WEEKLY

Also Present: DEPUTY CITY MANAGER STEVE HOUCHENS, DEPUTY CITY ATTORNEY TERESITA PONTICELLO, REAL ESTATE AND ASSET MANAGEMENT DIVISION MANAGER DAVID ROARK, and DEPUTY CITY CLERK YDOLEENA YTURRALDE

- ANNOUNCEMENT RE: COMPLIANCE WITH OPEN MEETING LAW

MINUTES:

City Clerk's Bulletin Board, City Hall Plaza, 2nd Floor Skybridge

Court Clerk's Office Bulletin Board, City Hall Plaza

Las Vegas Library, 833 Las Vegas Boulevard North

Clark County Government Center, 500 S. Grand Central Parkway

Grant Sawyer Building, 555 E. Washington Avenue

(3:03)

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AGENDA SUMMARY PAGE
REAL ESTATE COMMITTEE MEETING OF: FEBRUARY 15, 2005

DEPARTMENT: BUSINESS DEVELOPMENT

DIRECTOR: SCOTT D. ADAMS

☐ **CONSENT** ☒ **DISCUSSION**

SUBJECT:

REPORT FROM REAL ESTATE COMMITTEE - Councilman Wolfson and Councilman Weekly

Discussion and possible action regarding an Exclusive Negotiation Agreement (ENA) with 601 Fremont, LLC, regarding negotiation of a Disposition and Development Agreement for the real property located at 601 Fremont Street, APN 139-34-611-018 (receipt of \$180,000 earnest money deposit) - Ward 5 (Weekly)

Fiscal Impact:

☒

No Impact

Amount:

☐

Budget Funds Available

Dept./Division:

☐

Augmentation Required

Funding Source:

PURPOSE/BACKGROUND:

On October 28, 2004, the City of Las Vegas received interest from six development companies interested in buying the existing commercial building at 601 Fremont Street for re-use as an entertainment venue and for additional, mixed-use development on the vacant portion of the property. The Developer desires to move forward with negotiations for purchase of the existing building as a first phase (Site "A"), with the intent to buy the vacant lot as a second phase (Site "B") for additional development. As specified in the ENA, the Developer must perform on the first phase in order to exercise a development option on the second phase.

RECOMMENDATION:

Approval

BACKUP DOCUMENTATION:

1. Agenda Memo
2. Exclusive Negotiation Agreement
3. Letter from Developer's representative dated November 16, 2004
4. Disclosure of Principals
5. Site Map
6. Submitted at meeting - Project renderings from Michael Werner

MOTION:

COUNCILMAN WEEKLY recommended Item 1 be held in Abeyance to 3/15/2005. COUNCILMAN WOLFSON concurred.

MINUTES:

COUNCILMAN WOLFSON declared the Public Hearing open.

SCOTT ADAMS, Director, Office of Business Development, stated the item is an agreement with a development group from south Florida. The agreement is with the City because the site was originally purchased with the Industrial Development Revenue Fund. He outlined details from the Agenda Memo that is included in the backup. He recommended approval and introduced MICHAEL WERNER to elaborate further on the project.

MICHAEL WERNER, appeared on behalf of the developers to describe renderings of the project. He

REAL ESTATE COMMITTEE MEETING OF: FEBRUARY 15, 2005

MINUTES - Continued:

indicated the developers came last year from south Florida and are very active in the condominium conversion business. They have purchased other parcels in the downtown area and have followed the actions and desires of the new downtown Las Vegas. They have affiliations with people that specialize in entertainment. He associated such affiliations with other cities that included Miami, New York, Ft. Lauderdale, and Los Angeles. The developers are aware of the City's biggest desire to magnify the downtown area for the people investing in residential as well as those on the strip.

Upon COUNCILMAN WOLFSON'S request, MR. WERNER approximated closing with the City within the next 180 days. The existing building will then be remodeled keeping the roof which could take another six to nine months. He stressed their hopes to accomplish all development at one time. They wish to begin generating revenue by using clubs in the entertainment district before 2006; however, he doesn't believe the closing will be before the summer.

MR. WERNER pointed out their intent is to assure the finished project would not appear as if the building consisted of several additions. They would like to have large signs attracting people from the canopy area of Fremont Street, and he explained different sections of property that would be worked on first, referencing examples of the different stages. He informed the committee that they hope to attract an outside crowd by incorporating a studio, similar to the Today Show in New York City. It would be on the ground floor up through the second floor with the recording studio on the second level. This would be helpful to attract the same crowd to the night clubs and/or the roof top which will have a mature lounge and another club area. The third floor would possibly have office space. The other building will be on 6th Street and would serve as a valet entrance into the lobby. The first few floors of that structure would maintain parking space but the majority of the public space would be utilized primarily for entertainment with the orientation to draw people to the downtown Fremont Street area.

MR. ADAMS acknowledged that a great deal of time was spent investigating the developers. He assured the committee that the developers are financially strong and have a well-experienced planning team in the condominium and entertainment market. The City is very confident with their completion of the project. COUNCILMAN WEEKLY thanked MR. ADAMS for working diligently on the project. He was relieved to know the developer is viable and able to take on such a task.

COUNCILMAN WOLFSON thanked MR. WERNER for the details presented.

TOM McGOWAN, Las Vegas resident commented that the project appears to be ambitious and believes the developer will be a success. He wanted to know the corporate address from the developers in Florida and suggested the representative provide square footage and prices in regard to the condominiums. COUNCILMAN WOLFSON suggested MR. WERNER to address those comments in the upcoming City Council Meeting.

No one appeared in opposition.

COUNCILMAN WOLFSON declared the Public Hearing closed.

(3:04 - 3:20)

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AGENDA SUMMARY PAGE
REAL ESTATE COMMITTEE MEETING OF: FEBRUARY 15, 2005

DEPARTMENT: BUSINESS DEVELOPMENT

DIRECTOR: SCOTT D. ADAMS

☐ **CONSENT**

☒ **DISCUSSION**

SUBJECT:

REPORT FROM REAL ESTATE COMMITTEE - Councilman Wolfson and Councilman Weekly

Discussion and possible action regarding an Exclusive Negotiating Agreement between the City of Las Vegas, the Las Vegas Redevelopment Agency and Alpha Omega Strategies, Inc., for certain properties located at and around 1501 North Decatur, APNs 138-25-503-006, 138-25-515-000 and 138-25-516-000 - Ward 1 (Tarkanian)

Fiscal Impact:

☒

No Impact

Amount:

☐

Budget Funds Available

Dept./Division:

☐

Augmentation Required

Funding Source:

PURPOSE/BACKGROUND:

The Redevelopment Agency staff has negotiated an Exclusive Negotiating Agreement (ENA) with Alpha Omega Strategies, Inc., that outlines the duties and responsibilities of all parties during the negotiation leading to a Purchase and Sales Agreement. The ENA allows up to 90 days to bring a Purchase and Sales Agreement for City Council and Redevelopment Agency Board approval.

RECOMMENDATION:

Approval

BACKUP DOCUMENTATION:

1. Agenda Memo
2. Exclusive Negotiating Agreement, including Disclosure of Principals
3. Location Map

MOTION:

COUNCILMAN WEEKLY recommended Item 2 be forwarded to the Full Council with a "DO PASS" recommendation. COUNCILMAN WOLFSON concurred.

MINUTES:

COUNCILMAN WOLFSON declared the Public Hearing open.

SCOTT ADAMS, Director, Office Business and Development, outlined the details of the Agenda Memo that is included as part of the backup. He emphasized current disclosures that have been made including a lawsuit pending between the City and certain property owners that Alpha Omega is aware of. It is the City's intent to resolve all issues before a final agreement is made. He recommended approval.

TOM McGOWAN, Las Vegas resident, questioned who Alpha Omega Strategies is and what extent of senior housing is expected. MR. ADAMS clarified that the details of the project are not available now but will be resolved through the agreement process and, if and when they purchase, they will go through a normal planning and development process to work through all the various zoning and related issues on that property. COUNCILMAN WOLFSON explained to MR. McGOWAN that all that is being approved is to allow the City to bargain and enter into agreement. MR. GOWAN was provided with information about the owners.

REAL ESTATE COMMITTEE MEETING OF: FEBRUARY 15, 2005

MINUTES - Continued:

No one appeared in opposition.

COUNCILMAN WOLFSON declared the Public Hearing closed.

(3:20 - 3:25)

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AGENDA SUMMARY PAGE
REAL ESTATE COMMITTEE MEETING OF: FEBRUARY 15, 2005

DEPARTMENT: NEIGHBORHOOD SERVICES**DIRECTOR: ORLANDO SANCHEZ**☐ **CONSENT**☒ **DISCUSSION****SUBJECT:**

REPORT FROM REAL ESTATE COMMITTEE - Councilman Wolfson and Councilman Weekly

Discussion and possible action regarding an Agreement for the Purchase and Sale of Real Property whereby Operation Life Community Development Corporation sells approximately 0.15 acres of land for future housing development located in the vicinity of Van Buren Avenue and F Street known as APN 139-27-110-037 to Ruthe Realty and/or Assignees on behalf of the City of Las Vegas (City) (\$19,000 plus closing costs - General Fund) - Ward 5 (Weekly)

Fiscal Impact:☐**No Impact****Amount:**

\$19,000.00

☒**Budget Funds Available****Dept./Division:**

Neigh. Svcs.

☐**Augmentation Required****Funding Source:**

General Fund

PURPOSE/BACKGROUND:

The City desires to purchase property in this area to "land bank" for the future ability to develop new housing in an effort to revitalize the urban city core where vacant land is prevalent. A large portion of the existing buildings are boarded up and/or structurally unsound or are vacant and in disrepair, creating safety and health problems to the area and its residents. Over a long period of time, we hope to accumulate enough property to attract developers to build new housing.

RECOMMENDATION:

Staff recommends approval of an Agreement for the Purchase and Sale of Real Property for \$19,000 plus closing costs.

BACKUP DOCUMENTATION:

Agreement for the Purchase and Sale of Real Property

MOTION:

COUNCILMAN WEEKLY recommended Item 3 be forwarded to the Full Council with a "DO PASS" recommendation. COUNCILMAN WOLFSON concurred.

MINUTES:

COUNCILMAN WOLFSON declared the Public Hearing open.

DAVID ROARK, Manager, Real Estate and Asset Management Division, explained this is a purchase agreement with Operation Life for \$19,000 plus closing costs. The City is trying to accumulate masses of land in west Las Vegas to eliminate blight and encourage developers to enter the area for residential development. It will be a lengthy process starting with a six-block area and be completed over the next two years. They will need to do asbestos surveys, abatements, and even demolition on some properties. He recommended approval.

TOM MCGOWAN, Las Vegas resident, questioned who Ruthe Realty is and what their corporate address is. He asked if affiliations currently exist with other developments on the west side because there are other entities that are interested in positive development for the west side. He stated this type of project is well overdue.

REAL ESTATE COMMITTEE MEETING OF: FEBRUARY 15, 2005

MINUTES - Continued:

COUNCILMAN WEEKLY explained that the City is trying to acquire the vacant land in west Las Vegas due to the enormous amount of blight that currently exists. To help substantiate the retail that this area needs, the City has learned it is crucial to have residential development. This is a proactive approach with the desire to partner with the non-profit organizations that are interested in building roof tops to revive that community. There are no further details in regard to which non-profit organization will be involved. Any and all interested parties will go through a bidding process.

RUTH DUNG, Berkley Square Neighborhood Association, along with AGNES MARSHAL appeared to comment on the interest of the items pertaining to Ward 5. She confirmed the Berkley Square Neighborhood consists of single family homes and has been in place since 1954. There is an interest to have the surrounding area developed and agree that infill pieces would best attract working families. It isn't in the best interest to have affordable housing only because it would translate into neglected housing all over again.

No one appeared in opposition.

COUNCILMAN WOLFSON declared the Public Hearing closed.

(3:25 - 3:32)

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AGENDA SUMMARY PAGE
REAL ESTATE COMMITTEE MEETING OF: FEBRUARY 15, 2005

DEPARTMENT: NEIGHBORHOOD SERVICES

DIRECTOR: ORLANDO SANCHEZ

☐ **CONSENT**

☒ **DISCUSSION**

SUBJECT:

REPORT FROM REAL ESTATE COMMITTEE - Councilman Wolfson and Councilman Weekly

Discussion and possible action regarding an Agreement for the Purchase and Sale of Real Property whereby Milan and Cindy Selakovic sells approximately 0.52 total acres of land for future housing development located in the vicinity of Jackson Avenue and H Street known as APNs 139-27-110-066 and 069 to Ruthe Realty and/or Assignees on behalf of the City of Las Vegas (City) (\$85,000 plus closing costs - General Fund) - Ward 5 (Weekly)

Fiscal Impact:

☐

No Impact

Amount:

\$85,000.00

☒

Budget Funds Available

Dept./Division:

Neigh. Svcs.

☐

Augmentation Required

Funding Source:

General Fund

PURPOSE/BACKGROUND:

The City desires to purchase property in this area to "land bank" for the future ability to develop new housing in an effort to revitalize the urban city core where vacant land is prevalent. A large portion of the existing buildings are boarded up and/or structurally unsound or are vacant and in disrepair, creating safety and health problems to the area and its residents. Over a long period of time, we hope to accumulate enough property to attract developers to build new housing.

RECOMMENDATION:

Staff recommends approval of an Agreement for the Purchase and Sale of Real Property for \$85,000 plus closing costs.

BACKUP DOCUMENTATION:

Agreement for the Purchase and Sale of Real Property

MOTION:

COUNCILMAN WEEKLY recommended Item 4 be forwarded to the Full Council with a "DO PASS" recommendation. COUNCILMAN WOLFSON concurred.

MINUTES:

COUNCILMAN WOLFSON declared the Public Hearing open.

DAVID ROARK, Manager, Real Estate and Asset Management Division, stated this item relates to one half of an acre on two different parcels that are side by side. The purchase price is set for \$85,000 plus closing costs and he recommended approval.

TOM MCGOWAN, Las Vegas resident, stated he attended the opening of the Moulin Rouge in 1955. The huge success of the opening made news which indicated that something very positive can be done on the west side. He is in favor of the item and believes each item relating to the west side should be incorporated into a master-planned development. Even if development took place in phases, the much needed and deserved community would sustain if approached with a master plan rather than polka-dot development. The City should take advantage of the land because it has no washes, caliches and hardly any demolition is needed since very little is in existence now. It is perfect for master development.

REAL ESTATE COMMITTEE MEETING OF: FEBRUARY 15, 2005

MINUTES - Continued:

No one appeared in opposition.

COUNCILMAN WOLFSON declared the Public Hearing closed.

(3:32 - 3:36)

1-915

AGENDA SUMMARY PAGE
REAL ESTATE COMMITTEE MEETING OF: FEBRUARY 15, 2005

DEPARTMENT: PUBLIC WORKS**DIRECTOR: RICHARD GOECKE**☐ **CONSENT** ☒ **DISCUSSION****SUBJECT:**

REPORT FROM REAL ESTATE COMMITTEE - Councilman Wolfson and Councilman Weekly

Discussion and possible action regarding an Agreement for the Purchase and Sale of Real Property whereby George Fowler and/or nominee sells approximately 0.15 acres of land located at 501 E. McWilliams to Priority One Commercial and/or nominee on behalf of the City of Las Vegas (City) (\$350,000 plus closing costs - Southern Nevada Public Land Management Act [SNPLMA]) - Ward 5 (Weekly)

Fiscal Impact:☐**No Impact****Amount:**

\$350,000.00

☒**Budget Funds Available****Dept./Division:**

Public Works/Real Estate

☐**Augmentation Required****Funding Source:**

SNPLMA

PURPOSE/BACKGROUND:

This property has been identified for acquisition for the future ability to develop land in conjunction with the Neon Bone Yard Park. Southern Nevada Public Land Management Act (SNPLMA) Funds have been appropriated to this project.

RECOMMENDATION:

Staff recommends approval of the Agreement for the Purchase and Sale of Real Property for \$350,000 plus closing costs.

BACKUP DOCUMENTATION:

Agreement for the Purchase and Sale of Real Property

MOTION:

COUNCILMAN WEEKLY recommended Item 5 be forwarded to the Full Council with a "DO PASS" recommendation. COUNCILMAN WOLFSON concurred.

MINUTES:

COUNCILMAN WOLFSON declared the Public Hearing open.

DAVID ROARK, Manager, Real Estate and Asset Management Division, stated the two houses will complete a land acquisition that the City has in the area and will contribute to building a trail system to be useful with the Neon Bone Yard Park. The building may be used as an office in the future, but has not been determined. The money is funded by the City and some time in the future will be reimbursed by Southern Nevada Public Land Management Act (SNPLMA). He recommended approval.

TOM MCGOWAN, Las Vegas resident, was interested to know who the former owner of the property was and MR. ROARK stated the previous owner was George Feller. Upon MR. MCGOWAN'S request, COUNCILMAN WEEKLY stated the property had no affiliation with ATTORNEY ROSS GOODMAN or his colleague LOUIS PALAZZO.

No one appeared in opposition.

COUNCILMAN WOLFSON declared the Public Hearing closed.

REAL ESTATE COMMITTEE MEETING OF: FEBRUARY 15, 2005

MINUTES - Continued:

(3:36 - 3:41)

1-1035

AGENDA SUMMARY PAGE
REAL ESTATE COMMITTEE MEETING OF: FEBRUARY 15, 2005

DEPARTMENT: PUBLIC WORKS

DIRECTOR: RICHARD GOECKE

☐ **CONSENT** ☒ **DISCUSSION**

SUBJECT:

REPORT FROM REAL ESTATE COMMITTEE - Councilman Wolfson and Councilman Weekly

Discussion and possible action regarding an Agreement for the Purchase and Sale of Real Property whereby the City of Las Vegas (City) sells approximately 0.63 acres of land located in the vicinity of Stewart Avenue and 7th Street known as APNs 139-34-512-031 through 033 to Las Vegas Police Protective Association Metro, Inc., (PPA) (\$1,200,000 revenue less closing costs - General Fund) - Ward 5 (Weekly)

Fiscal Impact:

☒

No Impact

Amount:

☐

Budget Funds Available

Dept./Division:

☐

Augmentation Required

Funding Source:

PURPOSE/BACKGROUND:

The PPA indicated their desire to purchase downtown property to build a new headquarters building that would allow their association to remain centrally located. Close of escrow would be conditional upon approval of proper zoning for the project and a reversionary provision in effect if construction does not commence within a specified date.

RECOMMENDATION:

Staff recommends approval of an Agreement for the Purchase and Sale of Real Property for \$1,200,000 revenue less closing costs.

BACKUP DOCUMENTATION:

1. Agreement for the Purchase and Sale of Real Property
2. 7/9/04 letter from PPA

MOTION:

COUNCILMAN WEEKLY recommended Item 6 be forwarded to the Full Council with a "DO PASS" recommendation. COUNCILMAN WOLFSON concurred.

MINUTES:

COUNCILMAN WOLFSON declared the Public Hearing open.

DAVID ROARK, Manager, Real Estate and Asset Management Division, explained the property was purchased during the City Hall expansion project for approximately \$630,000 and totaled seven parcels in one transaction. This transaction is for three parcels and consists of less than half of the total property. The City is pleased with the building plans for the property and understands it to be for a non-profit organization. The sale of this property will not effect the current plans to move City Hall to the expansion area, should that be decided. He recommended approval.

TOM MCGOWAN clarified that his inquiry on the previous item about affiliations was intended for this item instead. COUNCILMAN WEEKLY again confirmed that the property had no affiliation with ATTORNEY ROSS GOODMAN or his colleague LOUIS PALAZZO.

No one appeared in opposition.

REAL ESTATE COMMITTEE MEETING OF: FEBRUARY 15, 2005

MINUTES - Continued:

COUNCILMAN WOLFSON declared the Public Hearing closed.

(3:39 - 3:41)

1-1141

AGENDA SUMMARY PAGE

REAL ESTATE COMMITTEE MEETING OF: FEBRUARY 15, 2005

CITIZENS PARTICIPATION: PUBLIC COMMENT DURING THIS PORTION OF THE AGENDA MUST BE LIMITED TO MATTERS WITHIN THE JURISDICTION OF THE COMMITTEE. NO SUBJECT MAY BE ACTED UPON BY THE COMMITTEE UNLESS THAT SUBJECT IS ON THE AGENDA AND IS SCHEDULED FOR ACTION. IF YOU WISH TO BE HEARD, COME TO THE PODIUM AND GIVE YOUR NAME FOR THE RECORD. THE AMOUNT OF DISCUSSION ON ANY SINGLE SUBJECT, AS WELL AS THE AMOUNT OF TIME ANY SINGLE SPEAKER IS ALLOWED, MAY BE LIMITED

MINUTES:

TOM McGOWAN, Las Vegas resident, questioned who the actual members and alternates are of the Real Estate Committee and Recommending Committee. COUNCILMAN WOLFSON stated because of COUNCILWOMAN MONCRIEF'S departure from the Council, COUNCILMAN WEEKLY was summoned to sit in as the co-chair. COUNCILMAN WOLFSON became the Chair of the committee and COUNCILWOMAN TARKANIAN will be appointed as the new member. COUNCILMAN WEEKLY will remain as an alternate as well as COUNCILMAN MACK. COUNCILMAN WOLFSON acknowledged that all members and staff that work for the City are committed to perform in the best interest of the public.

(3:41)

1-1215

THE MEETING ADJOURNED AT 3:44 P.M.

Respectfully submitted:

YDOLEENA YTURRALDE, DEPUTY CITY CLERK
February 16, 2005